The performance of private sector steel plants is not monitored by the government, hence data relating to losses, if any, of private sector steel plants is not available with Government.

***Statement***

*Production of Finished Carbon Steel during 2004-05*

('000 tonnes)

| | | |
|---|---|---|
| Public Sector | SAIL (including IISCO) | 9202 |
| | RINL | 2904 |
| Total (Public Sector) | | 12106 |
| Private Sector | TSL | 3505 |
| | ESSAR | 2388 |
| | ISPAT | 2635 |
| | JSW | 1659 |
| | Other Secondary producers | 17762 |
| Total (Private Sector) | | 27949 |
| Grand Total | | 40055 |

**Steel production**

712. SHRIMATI N.P. DURGA: Will the Minister of STEEL be pleased state:

(a) whether it is a fact that the National Steel Policy envisages to increase the domestic production to 110 million tonnes by 2019-20;

(b) the present domestic steel production in the country during the last five years, year-wise;

(c) the estimated consumption of steel by 2019-20; and

(d) what are the other salient features of the National Steel Policy?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS): (a) In the National Steel Policy (NSP) it has been estimated that in order to become self reliant and globally competitive in the steel sector the country would require indigenous production of over 100 million tonnes of steel per annum by 2020.

(b) the domestic production of finished (carbon) steel from 2001-02 to 2005-06 (April-January 2006) is given year-wise in the table below:

(in million tonnes)

| Item | 2001-02 | 2002-03 | 2003-04 | 2004-05 (Apr-Jan 05) | 2004-05 (Apr-Jan 05) | 2005-06* |
|---|---|---|---|---|---|---|
| Finished | 30.63 | 33.671 | 36.959 | 40.055 | 32.829 | 34.777 |
| (Carbon) Steel | (4.7) | (9.9) | (9.7) | (8.38) | | (5.9) |

NOTE: Figures in parenthesis indicate variation over the privious year.

*Provisional figures

(c) In the National Steel Policy the domestic consumption of finished steel has been estimated at 90 million tonnes by 2019-20.

(d) The salient features of the National Steel Policy are given in the enclosed statement.

***Statement***

*The salient features of the National Steel Policy*

- The NSP sets out a broad roadmap for the Indian Steel Industry in its journey towards reform, restructuring and globalization.
- The long-term goal of the NSP is that India should have a modern and efficient steel industry of world standards, catering to diversified steel demand. The focus of the policy is to achieve global competitiveness not only in term of cost, quality and product-mix but also in terms of global benchmarks of efficiency and productivity.

- In order to achieve the goal of 110 million tonnes of steel production by 2019-20, the NSP seeks to remove the supply-side constraints to the growth of this industry in an open, globally integrated and competitive environment.
- The NSP seeks to adopt a multi-pronged strategy to move towards the long-term policy goal. On the demand side, the strategy would be to create incremental demand through promotional efforts, creation of awareness and strengthening the delivery chain, particularly in rural areas. On the supply side, the strategy would be to facilitate creation of additional capacity, remove procedural and policy bottlenecks in the availability of inputs such as iron ore and coal, make higher investments in R&D and encourage the creation of infrastructure such as roads, railways, and ports.
- The NSP acknowledges the low per capita consumption of steel in the country, especially in the rural areas and the need to boost steel consumption to improve quality of life and help in meeting the growing aspirations of masses.
- In order to achieve the strategic goal of 110 mt of steel production by 2019-20, the industry would need additional capital. In addition, funds would be required for technological upgrade of existing facilities. In order to mobilize such vast resources NSP seeks to encourage foreign direct investment. In addition the policy also seeks to make the fiscal incentives, available to infrastructure projects, accessible to the steel industry.
- The NSP seeks to support developing of risk-hedging instruments like futures and derivatives to contain price volatility in the steel market.
- The NSP seeks to strengthen the existing training and research facilities available to the domestic steel industry so as to provide suitable training programmes especially for the secondary small-scale units and also to collect and analyze data on important parameters of the industry.
- The NSP seeks to mount aggressive R&D efforts to create manufacturing capability for special types of steel, substitute coking

coal, use iron ore fines, develop new products suited to rural needs, enhance material and energy efficiency, utilize waste, and arrest environmental degradation.

- The NSP acknowledges the important role played by the secondary steel sector in providing employment, meeting local demand of steel in rural and semi-urban area, and meeting the country's demand of some special products and seeks to endeavour to provide the necessary feedstock to these units at reasonable prices from major plants through the existing mechanism of State Small Industries Corporations.
- The NSP recognizes the fact that integration of the Indian steel industry with the global economy requires that the industry should be protected from unfair trade practices, which become common especially during periods of downturn. The NSP therefore, envisages institution of mechanisms for import surveillance, and monitoring export subsidies in other countries.

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**12.00 NOON**

## PAPERS LAID ON THE TABLE

**I. Notifications of the Ministry of Health and Family Welfare.**

**II. Corrigendum to Report (2002-2003) of Central Council for Research in Yoga and Naturopathy, New Delhi and related papers.**

THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND FAMILY WELFARE (SHRIMATI PANABAKA LAKSHMI): Sir, I lay on the Table:

(i) A copy each (in English and Hindi) of the following Notifications of the Ministry of Health and Family Welfare (Department of ~~Health~~) under section 38 of the Drugs and Cosmetics Act, 1940:

(1) G.S.R. 734 (E) dated the 21st December, 2005, publishing the Drugs and Cosmetics (Seventh Amendment) Rules, 2005.

(2) G.S.R. 735 (E) dated the 21st December, 2005, publishing the Drugs and Cosmetics (Eighth Amendment) Rules, 2005. [Placed in Library. For (1) and (2) *See* No. LT-3691/66]